

**Reams, Susan A**

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**From:** Jan Gee [jangee@wa-food-ind.org]  
**Sent:** Monday, July 31, 2006 8:34 PM  
**To:** Reams, Susan A  
**Cc:** Kevin Stormans; Bob Broderick  
**Subject:** Comment for Three-Tier Task Force  
**Attachments:** WFI Overview Wine Pricing History 7-06.doc

I am Jan Gee, President & CEO of the WA Food Industry. I submit the following information for your consideration. Attached is our view of the pricing policies of the LCB over the years and it is our opinion that they have consistently priced their product below the market average. ***You must ask yourself why they have had this policy if it is not to sell as much product as possible rather than providing a convenience to the consumer?***

The other question I think is very pertinent to this discussion is ***"If the LCB were not unfairly competing with the private sector in the sale of wine and beer, would the state be facing this legal challenge and how many issue under consideration by the Task Force would still be under review.***

We challenge a number of statements made in the documents prepared for the Task Force's meeting this week both in the pricing document and the competition with the private retailers. There have been a number of legislators interested enough in this issue that they have done their own unscientific research on the issue of the unfair competition by the state. I would ask each of you to do your own research this week and go to a variety of private retailers - large box stores, independent grocers, convenience stores and wine shops and take note of the prices listed on the LCB's top 100 wine list. Then go to the state liquor stores and compare their prices. We believe you will find that because the LCB is not required to meet the same pricing and shipping requirements of the private sector that their pricing will almost always be below market. Is this promoting the consumption of wine or providing the consumer with convenience and pricing? This is a fine line.

We believe it is time for the state to restrict its retail business to that of the monopoly sale of spirits and let the private sector compete on a level playing field with one another.

Thank you for your consideration of these issues.

Jan Gee, President & CEO  
WA Food Industry  
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